

**MINUTES**

**MONTANA SENATE  
58th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON EDUCATION AND CULTURAL RESOURCES**

**Call to Order:** By **CHAIRMAN BILL GLASER**, on February 17, 2003 at 3:00 P.M., in Room 317-C Capitol.

**ROLL CALL**

**Members Present:**

Sen. Bill Glaser, Chairman (R)  
Sen. Bob Story Jr., Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. Edward Butcher (R)  
Sen. Mike Cooney (D)  
Sen. Jim Elliott (D)  
Sen. Royal Johnson (R)  
Sen. Jeff Mangan (D)  
Sen. Don Ryan (D)  
Sen. Tom Zook (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Tari Elam, Committee Secretary  
Connie Erickson, Legislative Branch

**Please Note.** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: SB 74, 2/12/2003; SB 369, 2/12/2003  
Executive Action: SB 63; SB 210; SB 313; SB 52; SB  
183; SB 127; SB 279; SB 291

HEARING ON SB 74

Sponsor: SENATOR BOB KEENAN

Proponents: Richard Hegger, self  
Ray Thompson, Founder & CEO, Semitool

Opponents: Bud Clinch, Director, Montana Department of  
Natural Resources & Conservation (DNRC)

Informational Witnesses: Madalyn Quinlan, Chief of Staff, Office  
of Public Instruction

Opening Statement by Sponsor:

*{Tape: 1; Side: A; Approx. Time Counter: 0.3 - 1.2}*

SENATOR BOB KEENAN, SD 38, Flathead County, brought forward a bill which would allow the Board of Land Commissioners to sell or lease school trust land to a district for the purposes of building a new facility. He stated there will be state-wide impacts associated with the bill. He also indicated there is a long history associated with Kalispell's need for a new high school, and a proponent was present who would speak to the history of the legislation. SEN. KEENAN explained to the Committee that he has spoken with the Chairman about ways to make the bill work.

Proponents' Testimony:

*{Tape: 1; Side: A; Approx. Time Counter: 1.4 - 20.7}*

Richard Hegger, self, provided the Committee with an outline of his testimony **EXHIBIT**(eds35a01). He explained the Enabling Act of 1889 provided that lands be set aside for the creation and maintenance of public schools in each state. Additionally, the Montana Constitution addresses school trust lands. Although much of the land dedicated to the support of public schools is leased to commercial, agricultural, or other types of entities which pay into a common fund for distribution across the education system, he believes leasing the land to one particular school is consistent with both the "Enabling Act" and the Montana Constitution. Mr. Hegger indicated this is not a novel idea, citing numerous instances where land has been conveyed for the purposes of erecting a school. He briefly discussed the argument frequently made in opposition--this type of conveyance is unconstitutional because it does not equally support the

entirety--and indicated the 104 school sites built on school trust lands refutes the argument.

**Ray Thompson, Founder & CEO, Semitool**, testified he is in support of this bill. He relayed a story about a college in Kalispell which had a property cost to local taxpayers of \$400,000. The land purchased was directly across the road from school owned land. When inquiries were made seeking an explanation, he was informed people in Billings would not benefit from the facility. **Mr. Thompson** believes the argument put forth by **DNRC** is unfounded and this bill is a common sense solution to the problem.

**Opponents' Testimony:**

*{Tape: 1; Side: A; Approx. Time Counter: 21 - 31}*

*{Tape: 1; Side: B; Approx. Time Counter: 2 - 7.2}*

**Bud Clinch, Director, DNRC**, testified he is responsible for the oversight of school trust lands. He explained there are several beneficiaries of land trusts in the state, with common schools being the largest. He used an oversized map to demonstrate how state lands are presently distributed. **Mr. Clinch** does not agree with the assertion of **Mr. Hegger**, he believes the lands were granted to Montana for the support of common schools in perpetuity. **DNRC** presently receives approximately \$45 million per year which is distributed equally amongst school districts. The particular parcel in Kalispell appraises in excess of \$10,000 per acre and has already been zoned for industrial, commercial, mixed residential, and recreational purposes. **Mr. Clinch** went on to explain, in reference to the 1997 statute, while it may allow for the possibility of leasing it has never been invoked. He also discussed **Judge McCarter's** decision regarding whether the statute in question is constitutional, noting the trust may not favor any individual portion of the beneficiary, it must benefit the whole.

**Mr. Clinch** also provided the Committee with a copy of a map showing the property in dispute **EXHIBIT (eds35a02)**.

**Questions from Committee Members and Responses:**

*{Tape: 1; Side: B; Approx. Time Counter: 7.5 - 31}*

*{Tape: 2; Side: A; Approx. Time Counter: 0.2 - 7.7}*

**SENATOR ROYAL JOHNSON** inquired if there is some way to achieve an equitable compromise in this situation. Noting the land is presently worth about \$750,000, he asked **Mr. Hegger** about the present use of the parcel. **Mr. Hegger** replied, although the

specific site was empty at the time, he thinks there is some agricultural use. He also indicated **DNRC** has a building located on the property but he does not know how much rent they are paying. **SEN. JOHNSON** asked whether it was possible for the district to rent the entire acreage. **Mr. Hegger** explained he is not a representative of the board, so he cannot speak to how they would decide on the question. He stated his presence was intended only to provide information regarding the constitutionality of the statute. Referring to the **McCarter** decision, he stated two of the fourteen statutes were not defended, which, based upon the information he has found, he believes should not have been the case. **SEN. JOHNSON** stated he would prefer the discussion be confined to the situation in Kalispell and asked whether anyone was present to speak on the district's behalf. **Mr. Hegger**, again noting his position, suggested the sponsor might have an answer.

**SEN. JOHNSON**, noting **SEN. KEENAN's** previous experience on the Kalispell school board, asked whether he thought a compromise could be reached. **SEN. KEENAN** explained he did not serve on the Kalispell school board, so he cannot speak to their potential response. He also briefly explained how the bill might work given the present situation.

**SENATOR TOM ZOOK**, referring to item number two of the fiscal note, stated it seems to support the position of **DNRC** and asked whether **SEN. KEENAN** understands the issue differently. **SEN. KEENAN**, relying on the note's interpretation, stated he did not. However, he explained **DNRC** probably contributed to the writing of the fiscal note and therefore he is not certain of its' complete impartiality.

**SENATOR EDWARD BUTCHER**, referring to the political nature of this decision, asked how he would explain to his own constituents that the legislature gave \$600,000 - \$700,000 worth of equity to one district to the detriment of the rest. **SEN. KEENAN**, conceding the particular value of the land in question as it relates to the analysis, explained provision of land for building sites has occurred in the past. The Land Board has set aside land for schools, and there happens to be land in a community that needs a location for a school. **SEN. BUTCHER** explained there are numerous small schools in his area and he does not believe even one is located on a school section. He continued, referencing a compromise proposal on the property in question, discussing the practice of commercial leasing for ninety-nine years. While he understands Kalispell is a high-value land area, with a high tax base, he believes they should have to acquire land in the same manner as all other schools. He asked **SEN. KEENAN** whether he

agreed with that assertion. **SEN. KEENAN** responded he would not disagree.

**SENATOR MIKE COONEY** inquired why certain issues were not contested in the case discussed earlier. **Mr. Clinch** replied, based on the history of the statutes, and that most had never been implemented, his office did not believe they had a defensible defense on two of the statutes. They offered a soft defense on the statute in question which the judge did not find acceptable. **SEN. COONEY** sought clarification on who was involved in the decision making process. Specifically, were the five members of the State Land Board involved in the decisions. **Mr. Clinch** replied in the affirmative. He then outlined the procedural history of the suit in question. **Mr. Clinch** also noted he believes the deeds to which **Mr. Hegger** referred are easement grants.

**SENATOR BOB STORY**, noting this particular property has been in controversy since he first became a legislator, asked whether the portion designated "mixed residential" and "mixed commercial" have been developed. **Mr. Clinch** replied in the negative. He stated they are reflective of the planning and zoning completed with the input of both councils. **SEN. STORY** inquired how the property would be disposed of, i.e., through easement or direct sale. **Mr. Clinch** responded the decision has not been made, however, due to the nature of the development, he would prefer it be direct sale. The proceeds would be placed in the permanent fund and interest distributed evenly amongst all districts. **SEN. STORY** sought additional clarification on the easement value of \$10,000 per acre. **Mr. Clinch** indicated the figure was correct. **SEN. STORY** asked if the land were placed for auction at the present time whether it is conceivable it would sell for more than \$600,000. **Mr. Clinch** replied in the affirmative, pointing out the various types of development which have or are occurring in the surrounding areas.

**SEN. STORY**, referring to various school funding lawsuits of the past, asked **Madalyn Quinlan** to explain how the state pays for a portion of the costs associated with building schools. **Ms. Quinlan** explained the state, under certain conditions, assists districts with their debt service payments on general obligation bonds. **SEN. STORY**, referring to the fiduciary aspects of the question presented, asked **Ms. Quinlan** whether it is not already the case the state is using money to assist some schools that could be distributed in an equal manner to all schools. **Ms. Quinlan** explained under current law the state is obligated to assist certain schools with facilities. If a general bond was passed after 1990 and the district is considered low wealth, the

state will provided assistance. **SEN. STORY** inquired if Flathead County High School is considered low wealth. **Ms. Quinlan** replied it is eligible for guaranteed tax bases.

**SEN. ZOOK** asked if it is correct the land in question is currently leased out for agricultural purposes. **Mr. Clinch** replied in the affirmative, and stated it is presently in small grain production. **SEN. ZOOK** asked if the present lease was done on a competitive basis. **Mr. Clinch** replied in the affirmative, explaining those types of leases are done on a competitive basis and rebid every ten years. **SEN. ZOOK** explained in the past a person could lease land from the state and, upon being given permission, could build a home on the property. However, the person knew they may not always have the lease and if unable to move the building it would be forfeited to the subsequent lessee. He asked if that practice continues. **Mr. Clinch** stated he did not know how the concept originated however, at present, there are about 800 cabin and home site leases. He explained the lessee is charged rent according to a percentage of the appraised value. **DNRC** has taken those leases and reclassified them and there is another body of law which governs the fees charged. **SEN. ZOOK**, relying on the value of an agricultural lease (i.e., it is probably not a very high rate lease), asked what the particular property is renting for. **Mr. Clinch** responded it is very productive, irrigated agriculture. He thinks it is somewhere between \$12,000 and \$14,000 per year. **SEN. ZOOK** indicated he believes the state would receive a portion of the net production, and asked whether that is substantially less than might be realized on a cash basis. **Mr. Clinch** stated, while not certain, he believes the state has a very good relationship with that particular lessee. **SEN. ZOOK** stated he believes if the property in question is valued at \$700,000, and there is a requirement of seven percent (7%) interest, the state should be receiving more than they are at present. **Mr. Clinch** replied the potential revenue from a tract such as this is significant and they anticipate a substantial revenue stream in the next five years. He also outlined alternative solutions to the issue, and stated efforts have been made with the people of Flathead County to resolve the question.

**SENATOR JIM ELLIOTT**, referring to **Mr. Clinch's** testimony regarding the lands \$10,000 per acre value, stated the land cannot be leased for \$10,000 per acre per year and asked how a fee schedule is determined. **Mr. Clinch** replied there is current law which provides guidance in that area. **SEN. ELLIOTT** inquired whether the full market value is amortized over the life of the lease. **Mr. Clinch** replied in the negative. He used cabin and home site leases as an example and indicated they are presently

set at five percent (5%) of appraised value. He briefly discussed the outcome of the Montrust suit, and explained each individual type of usage has its own body of law with regarding the process for determining full market value.

**SENATOR EDWARD BUTCHER** sought further clarification on the rental rates and the obligation of the state in the event a school vacates a particular site. **Mr. Clinch** explained legislation is presently being offered which will address each of those questions. He also indicated the goal is to have commercial leases more closely resemble private sector leases.

**SEN. STORY** asked about the lease rate for the ball fields. **Mr. Clinch** replied it is currently leased at ten percent (10%) of appraised value per year. **SEN. STORY** then asked about **Mr. Hegger's** assertion regarding **DNRC's** having an office on the land. **Mr. Clinch** replied there is currently an office complex on the land which is there through an easement grant. **SEN. STORY** inquired how much the department had paid for the grant. **Mr. Clinch** replied he did not know.

**Closing by Sponsor:**

*{Tape: 2; Side: A; Approx. Time Counter: 7.8 - 8.7}*

**SEN. KEENAN** expressed his appreciation to each of the parties who contributed to the discussion on the issue. He indicated the question which needs answering is whether a district can utilize trust land located in their district, or must we concede **DNRC's** position that we have a state system of land which must be administered through their office. **SEN. KEENAN** stated he hopes it is possible for a school to provide for the educational needs of its community through the use of land located there. He also expressed his appreciation to the Committee.

**HEARING ON SB 369**

**Sponsor:** **SENATOR BOB STORY**

**Proponents:** **NONE**

**Opponents:** **Linda McCulloch, State Superintendent, Office of Public Instruction (OPI)**  
**Senator Dan Harrington, SD 19, Butte**  
**Senator John Tester, SD 45, Big Sandy, Senate Minority Leader**  
**Kirk Miller, Chairman, Montana Board of**

Public Education (MBPE) & Superintendent,  
Havre Public Schools  
Bob Vogel, Director of Governmental  
Relations, Montana School Boards Association  
(MTSBA)  
Rita Blouke, President, Helena League of  
Women Voters  
Jack Copps, Executive Director, Montana  
Quality Education Coalition (MQEC)  
Jay Erdie, Superintendent, Roundup Public  
Schools  
Eric Feaver, President, MEA-MFT  
Dave Puyear, Executive Director, Montana  
Rural Education Association (MREA)  
Margaret Bowles, Manager, Educator Licensure  
Program, Office of Public Instruction (OPI)

Informational Witnesses: Steve Meloy, Executive Secretary, Board  
of Education (BPE)  
Tom Beck, Advisor to the Governor

Opening Statement by Sponsor:

*{Tape: 2; Side: A; Approx. Time Counter: 9 - 20.8}*

SENATOR BOB STORY, SD 12, Billings, brought forward SB 369 which is intended to integrate the management and oversight of public elementary and secondary schools. SEN. STORY explained, although he supports the intent of the bill, he does not support the complete transfer of responsibility from OPI to the Board of Public Education; he noted the bill's terminology as presently drafted does so. He provided the Committee with information from the 1971 -72 Montana Constitutional Convention EXHIBIT (eds35a03), and explained the intent of the delegates on the issue. The Superintendent of Public Instruction is to be elected, and whose duties are to be assigned by the legislature. He briefly discussed the historical evolution of the Office and Board, and explained the importance of legislative oversight. The legislature is charged with evaluating, and changing when necessary, the distribution of duties between the Superintendent's office and the Board as conditions dictate. He believes the legislature should evaluate governance, and that an interim committee may be necessary to fully develop the necessary paths. SEN. STORY also explained duties which are policy making in nature should be governed under the Board; those which are administrative in nature should remain under OPI's guidance.

Opponents' Testimony:



**{Tape: 2; Side: A; Approx. Time Counter: 20.9 - 31}**

**{Tape: 2; Side: B; Approx. Time Counter: 1.4 - 31}**

**{Tape: 3; Side: A; Approx. Time Counter: 0.1 - 10.9}**

**Linda McCulloch, Superintendent, OPI**, testified she is very proud to represent the long-standing tradition of having an elected state superintendent. She stated **SB 369** ignores the electoral mandate for an independent superintendent. Although presently serving in this capacity--thus, allowing for assertions of "self-severing" motivations--she believes it would be irresponsible for her not to address this bill. She stated the bill would fundamentally alter the roles and responsibilities of the Superintendent by making the office report to a voluntary board rather than the people. She stated the bill would strip her office of the power it needs to carry out constitutional mandates. **Ms. McCulloch** stated **OPI** provides numerous services, and offered examples of their present duties and how they save the state money. She thinks **SB 369** will result in a duplicate system which will be costly to maintain. She continued discussing various reasons for possible change, noting that each is insufficient. **Ms. McCulloch** stated she was compelled, therefore, to question whether the bill is driven by politics and not by policy.

**CHAIRMAN GLASER** brought the meeting to order, stating "it is not driven by politics," and instructed **Ms. McCulloch** to continue.

**Ms. McCulloch** indicated her position would lose its' retirement benefits; would be able to hire only one staff member; would no longer have a personal staff; would no longer be considered a department head; and, would not be able to prescribe rules for the office. She indicated she believes the actions of a former staff member have provided the catalyst for this legislation.

**Ms. McCulloch** believes this legislation is not good for the children of Montana and that she was elected to govern as the chief education officer. She stated she represents the intent of the people of Montana, and requested the Committee oppose the bill.

**CHAIRMAN GLASER** instructed the audience to speak either for or against the bill, not about any individual or department.

**SENATOR DAN HARRINGTON, SD 19, Butte**, testified he was present as a member of the 1972 Constitutional Convention. He stated, contrary to some assertions, there was a good deal of discussion on the role and scope of duties of the superintendent of public instruction. He stated there have been numerous good people who have served in this capacity; each and every one of whom exerted their independence to the legislature and administration. He

noted the office must be distinct from the legislature and governor's office in order to ensure the ability to meet their responsibilities. He stated the superintendent is responsible for developing policy, and that the Board of Education is and has been an advisory body to the Superintendent. He reiterated the importance of the superintendent's office remaining independent as an advocate for school children.

**SENATOR JOHN TESTER, SD 45, Senate Minority Leader**, began by acknowledging the lateness of the hour and his awareness of **SEN. STORY's** amendments. He hopes the amendments will work toward curing various problems in the bill; for example, concerns raised about the elimination of personnel and elimination of the Superintendent's retirement benefits. **SEN. TESTER** believes, as an elected official, it would be inappropriate for the Superintendent to report to a board appointed by another elected official. He also thinks if cuts are discussed they should be applied to all agencies. He agrees with **SEN. STORY** regarding the division of policy and implementation between **OPI** and the Board, but cannot support the bill as written. He asked the Committee to use caution in their decision making.

**Kirk Miller, Chairman, BPE, and Superintendent, Havre Public Schools**, conveyed the opposition of both organizations to the bill as written. He provided the Committee with a letter he wrote to **CHAIRMAN GLASER EXHIBIT (eds35a04)**, and outlined the contents of the letter. **Mr. Miller** stated there is a bill (**HB 736**) which intends to establish a K-12 school renewal commission that will be charged with analyzing current problems and revamping Montana's education system. Should the bill be successful, he encouraged all interested parties to participate in the commission's hearings. **Mr. Miller** also conveyed his own reasons for serving on the Board, and indicated should **SB 369** become law he could not meet the time demands. He believes the Board, **OPI**, and various other people, work together in a strong partnership that has maintained a solid system of education in the state. He requested the Committee give consideration to the purpose of the new commission and allow the Board to work with everyone on finding a solution to very complex issues.

**Bob Vogel, MTSBA**, conveyed the opposition of his organization to the bill as written. He indicated he does not dispute there may be concepts and ideas worthy of consideration contained in the bill, however, he believes the full implications need further discussion and analysis. He also stated many of the state's 1,800 trustees would also appreciate an opportunity to fully analyze the bill, and agreed with **SEN. STORY** on possibly studying the issue during the interim.

**Rita Blouke, President, Helena Area League of Women Voters,** testified she was present on behalf of the women voters of Montana. **Ms. Blouke** indicated she felt somewhat out of her element, and that she had a difficult time grasping the entirety of **SB 369**. She believes that would be true for the average Montana voter as well. Her primary concern, when discussing governance issues, is that a process be in place wherein all stakeholders have the opportunity to be involved; and, an opportunity for the public to be involved. She requested the Committee not support the bill, and indicated to **SEN. STORY** that if the amendments are nearly as long she can see they will be equally difficult to understand.

**Jack Copps, Executive Director, MQEC,** stated he is somewhat comforted by the fact that significant amendments are being proposed to the bill. He testified his organization opposes **SB 369** and believes it is very troubling. He believes the bill is neither timely nor understandable, and proposes sweeping and massive changes without opportunity for thorough study. He stated there is no logical reason for the proposed changes and that no interim committee has ever suggested such change. **Mr. Copps** believes the working relationship between **OPI** and the Board is a solid one. He thinks **SB 369** is not good for the children of Montana. He urged the Committee vote against the bill.

**Jay Erdie, Superintendent, Roundup Public Schools,** submitted written testimony **EXHIBIT**(eds35a05) .

**Eric Feaver, President, MEA-MFT,** stated he would like to provide additional information regarding the historical record based on his appointment by former Governor Racicot in 1993-94 to a commission charged with reorganizing government. The Commission proposed an idea--which **Mr. Feaver** opposed--to eliminate the Board of Regents and the Board of Public Education. Both ideas eventually failed. He believes the greatest damage being done to the constitution, culture, and history of Montana is that which will result from the "No Child Left Behind Act." He thinks this body should focus their attentions toward that potential rather than toward some perceived dysfunction at home. **Mr. Feaver** hopes the Committee will reject the **SB 369** regardless of its eventual form.

**Dave Puyear, Executive Director, MREA,** conveyed his organization's opposition to the bill primarily due to the lack of time relevant parties have had to analyze the bill. **Mr. Puyear** stated he is very supportive of the Superintendent and the staff of **OPI**, but he recognizes the system does need review. He believes a review process would be good for the state. Since

schools must review their processes, the state should as well. He suggested members of the legislative body should communicate with local trustees, teachers, and so forth, so as to fully understand where the system can be made better. He indicated although federal legislation such as "No Child Left Behind" might have brought the issue to the forefront the concerns were already there. **Mr. Puyear** provided examples of where consistency might be improved. For example, he noted all persons who lead a local district must complete a masters program or graduate degree and numerous courses specifically tailored toward teaching about running a school district, he believes the same type of standards should apply to state employees. Communication is another area where improvements would be beneficial. He believes neither **OPI** nor the Superintendent's office should be fraught with political disharmony but should be focused on what is best for the children of Montana. **Mr. Puyear** would like to see an interim study on this issue; preferably a stand alone interim issue.

**Margaret Bowles, Manager, Educator Licensure Program, OPI,** testified she was a teacher for many years before coming to **OPI**. She explained she was appointed to a task force charged with rewriting licensing requirements. She believes these new rules have already made a difference and will continue to do so. She encouraged the Committee to work with people from the field in order to understand how effective **OPI** has been.

#### Informational Testimony:

*{Tape: 3; Side: A; Approx. Time Counter: 11 - 12.3}*

**Steve Meloy, Executive Secretary, BPE,** testified he had two points which he believes are relevant. The first point--regarding golden parachutes--**Mr. Meloy** indicated was in jest. The second point: **Mr. Meloy** feels the Committee should keep in mind his position is contractual and under **SB 369** the position would be an elected position. The Board would loose control over how it operates.

#### Questions from Committee Members and Responses:

*{Tape: 3; Side: A; Approx. Time Counter: 12.4 - 16.8}*

**SENATOR JIM ELLIOTT,** noting the complexity of the bill, stated he remained uncertain as to the compelling need for this legislation. He asked **SEN. STORY** if he could provide additional insight. **SEN. STORY** replied in the negative.

**SEN. ELLIOTT** inquired of **Tom Beck** what the interest of the Governor's office is in this bill. **Mr. Beck**, referring to the Governor's State of the State speech, explained there is a desire in the office to form a commission to study policy versus administration, therefore following this bill seemed prudent.

**SEN. ELLIOTT** asked **Mr. Beck** what he had learned about the bill. **Mr. Beck** replied he learned the bill will have numerous amendments; accordingly, the office will evaluate the bill at that time.

**SENATOR JEFF MANGAN**, alluding to an earlier conversation with **SEN. STORY**, asked whether he would be willing to table the bill until a more in-depth analysis can be completed. **SEN. STORY** replied he would not be adverse to the suggestion, although he believes there are a couple of items in the bill which are fairly straight forward and necessary. He agrees some of the concepts in the bill are very complex.

**Closing by Sponsor:**

***{Tape: 3; Side: A; Approx. Time Counter: 16.8 - 22.3}***

**SEN. STORY** expressed appreciation to all who chose to participate in today's forum. He noted he had spoken with the Superintendent a few days prior, telling her the direction he intended to take. He also clarified his position regarding the intent of the bill: it was not directed at any individual or office. He apologized for the hearing taking the direction it did with regard to those perceptions. **SEN. STORY** stated many things have not changed over the past thirty years. He outlined the relevant topics discussed during the Constitutional Convention, demonstrating those same topics continue being central to the analysis. Although the bill may be too broad in scope, he continues to believe it contains important ideas.

**EXECUTIVE ACTION ON SB 63**

***{Tape: 3; Side: A; Approx. Time Counter: 24.6 - 28.5}***

**Motion/Vote:** **SEN. MANGAN** moved that **SB 63 BE INDEFINITELY POSTPONED**. Motion carried 8-1, with **JOHNSON** voting no and **COONEY** excused.

**EXECUTIVE ACTION ON SB 210**

***{Tape: 3; Side: A; Approx. Time Counter: 28.8 - 31}***

*{Tape: 3; Side: B; Approx. Time Counter: 2.1 - 11.5}*

**Motion:** SEN. ELLIOTT moved that SB 210 DO PASS.

**Discussion:**

SEN. ELLIOTT noted there is an amendment to the bill. He reminded the Committee of the nature of the bill, explaining it provides tuition benefits for veterans of "The War on Terror." There was some initial reluctance due to the open-ended nature of the bill, so an agreement was reached limiting the benefit to twenty eligible veterans per year who will be selected by drawing. The amendments incorporate those constraints.

A brief discussion occurred regarding the fiscal impact of the bill.

**Motion/Vote:** SEN. ELLIOTT moved that SB 210 BE AMENDED by SB021002.ace. Motion carried 8-1 with BLACK voting no.

**Motion/Vote:** SEN. ELLIOTT moved that SB 210 DO PASS AS AMENDED.

**Discussion:**

SEN. STORY stated the average tuition for 2002 was \$2,412.00 per year.

SEN. ELLIOTT stated the difference between that number and \$6,000.00 per year is substantial.

SEN. STORY indicated, with tuition increases, this year the figure should be about \$3,000.00. Therefore, the cost will be approximately \$4,000.00 per year, for a total of four years.

A brief discussion regarding projected appropriations occurred.

Motion carried 7-3 with GLASER, JOHNSON, and STORY voting no, and COONEY voting YES, via proxy.

**EXECUTIVE ACTION ON SB 313**

*{Tape: 3; Side: B; Approx. Time Counter: 13.5 - 17.7}*

**Motion:** SEN. ZOOK moved that SB 313 BE INDEFINITELY POSTPONED.

**Discussion:**

**SEN. RYAN** stated the bill addresses fundamental problems with the funding system. He explained any district that is receiving a guaranteed tax base is placed at a disadvantage because, for every dollar of local money spent fifty cents is lost to reappropriation. He believes the concept is worth saving.

**SEN. STORY** indicated there is another bill similar in nature to the **SB 313** which is presently being evaluated. He is opposed to this bill because the purpose of a school budget is to come as close as possible to actual expenditures, not to accumulate tax dollars in a savings account. He believes there are already sufficient reserve accounts to cover most contingencies. He explained the difference between the other bill and this one is simple: the other bill allows a district to hold money for two years, this bill creates an additional ten percent (10%) reserve account.

**Vote:** Motion carried 8-2 with COONEY and RYAN voting no.

**EXECUTIVE ACTION ON SB 52**

*{Tape: 3; Side: B; Approx. Time Counter: 27 - 28.4}*

**Motion/Vote:** SEN. BUTCHER moved that SB 52 BE INDEFINITELY POSTPONED. Motion carried 7-3 with COONEY, ELLIOTT, and MANGAN voting no.

**EXECUTIVE ACTION ON SB 183**

*{Tape: 3; Side: B; Approx. Time Counter: 28.7 - 31}*

**Motion/Vote:** SEN. COONEY moved that SB 183 DO PASS. Motion carried 8-2 with BUTCHER and STORY voting no.

**EXECUTIVE ACTION ON SB 127**

*{Tape: 4; Side: A; Approx. Time Counter: 0.2 - 5.9}*

**Motion:** SEN. STORY moved that SB 127 BE INDEFINITELY POSTPONED.

**Substitute Motion:** SEN. MANGAN made a substitute motion that SB 127 DO PASS.

**Discussion:**

**SEN. MANGAN** moved **amendment SB 012701.alh.**

**SEN. STORY** noted the amendment addresses potential concerns about the total amount of the deduction. He explained the total deduction is \$3,000, not \$3,000 per account.

**Vote:** Motion to amend **SB 127** carried 10-0.

**Motion/Vote:** **SEN. ELLIOTT** moved that **SB 127 AS AMENDED BE INDEFINITELY POSTPONED.** Motion carried unanimously.

**EXECUTIVE ACTION ON SB 279**

*{Tape: 4; Side: A; Approx. Time Counter: 6.7 - 8.0}*

**Motion/Vote:** **SEN. BUTCHER** moved that **SB 279 BE INDEFINITELY POSTPONED.** Motion carried unanimously.

**EXECUTIVE ACTION ON SB 291**

*{Tape: 4; Side: A; Approx. Time Counter: 8.6 - 17.8}*

**Motion:** **SEN. BUTCHER** moved that **SB 291 DO PASS.**

**Substitute Motion:** **SEN. JOHNSON** made a substitute motion that **SB 291 BE INDEFINITELY POSTPONED.**

**Discussion:**

**SEN. BUTCHER** stated he believes this bill is very important. This bill will help the Regents to accomplish a much needed goal. He does not think it is fair to students when one department decides without reason not to accept credits for the same course taken elsewhere. He realizes there is a fine line being walked on the constitutional question, but the Regents do not oppose the bill.

A brief discussion occurred regarding the constitutionality of the bill. Also, a short discussion on the progress already made by the university system.

**Vote:** Substitute motion carried 9-1 with **BUTCHER** voting no.



**ADJOURNMENT**

Adjournment: 6:40 P.M.

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SEN. BILL GLASER, Chairman

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TARI ELAM, Secretary

BG/TE

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**EXHIBIT** (eds35aad)